

gram to curb sulfur dioxide emissions. Utilities, brokerage firms, and even environmentalists purchased the rights, which sold for \$122 to \$450 a ton, to emit 150,010 tons of sulfur dioxide. Industry, environmentalists, and EPA are calling the program an initial success.

The auction was part of a program established under the Clean Air Act Amendments to force power companies to cut sulfur dioxide emissions in half by the year 2000. The program allots pollution allowances to utilities: each allotment allows discharge of one ton of sulfur dioxide a year. Companies may use their allotments to comply with the Clean Air Act standards, or, if they clean up their operations, they can sell their excess allowances. The initial allowances sold at auction had been taken from the utilities by the EPA and were set aside to be sold. EPA will distribute the profits from the auction among the power companies who contributed.

The CBOT has announced plans to hold its own quarterly auctions of pollution rights, which, although not specifically authorized by EPA, are said to be approved of by the agency. Although auction analysts interpret the program's success as a sign of the need for such a market, the development of a market for pollution allowances may well encounter some obstacles. In New York, efforts to restrict allowance trading to minimize acid rain in the Adirondacks prompted the New York General Assembly to approve a bill that would allow the state to restrict pollution trading. It is also unclear how state utility regulatory commissions will be involved in emissions trading. In addition, some sources worry that characterization of the program as "buying the right to pollute" may discourage industry from purchasing allowances out of concern for their public image. Overall, however, the program is expected to reduce the cost of complying with sulfur dioxide emission standards—a savings that could ultimately be passed on to the consumer.

### Risk Panel Completed

With the appointment of the two final members of the Risk Assessment and Management Commission, the panel should soon be ready to tackle the task it was given more than two years ago in the 1990 amendments to the Clean Air Act.

Senate Majority Leader George Mitchell (D-Maine) named Norman Anderson, director of Environmental Health for the American Lung Association of Maine, and David P. Rall, former director of the National Institute of Environmental Health Sciences, to the panel which was established under section 303 of the

1990 amendments to study the risk assessment process and advise the government on its use in environmental management.

Mitchell's action comes as the Clinton administration decides whether to replace the Bush appointees to the commission. Some sources have been critical of the Bush appointees for being too conservative, particularly Thorne Auchter, former head of the Occupational Health and Safety Administration. Though the president has the authority to replace the Bush appointees as they "serve at the pleasure of the president" and nothing in the Clean Air Act amendments prevents it, many hope that the new appointees will provide enough balance so that the Clinton administration will not find it necessary to alter the panel, causing further delay.

Rall has a reputation for being well informed and knowledgeable on risk assessment issues and has been influential in setting national environmental health policy. Anderson is well respected and is expected to bring the environmentalist viewpoint to the panel discussions.

### Industry Waste Exchange

The Pacific Materials Exchange (PME) is fast proving that one industry's trash may be another's recycled treasure. EPA has extended the grant of this nonprofit corporation to develop and implement a national computerized industrial waste exchange network to encourage pollution prevention.

The National Materials Exchange Network (NMEN), an information clearinghouse that allows companies to publicize information about their waste streams to encourage reuse, electronically links virtually every industrial waste exchange in North America. The grant extension, announced by House Speaker Thomas Foley (D-Washington), will allow PME to continue to build its network and encourage industry to use it. "Using technology to promote and encourage industrial recycling is a practical, cost-effective approach to help protect the environment," says Foley. "We all benefit."

Sponsors of the NMEN say that up to now, waste exchanges have relied on printed materials to communicate information about waste streams. The NMEN allows subscribers to use a computer 24 hours-a-day to access information on materials located across town or across the country. Access to the network is free with participation in an affiliated waste exchange. The network lists materials available and materials needed, such as waste by-product, off-specification, overstock, obsolete, and damaged materials; used and virgin materials; and solid and hazardous wastes.



### National Materials Exchange Network

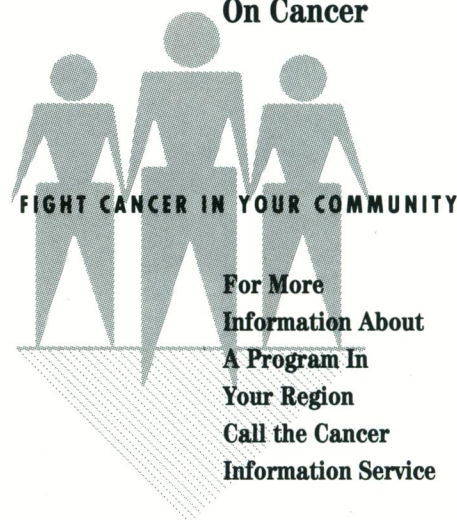
U.S.  
1-800-858-6625

Canada  
1-509-325-1724

Direct user assistance  
1-509-325-0507

It is estimated that industry currently saves \$27 million and the energy equivalent of 100,000 barrels of oil annually by using waste exchange. According to Robert Smee, director of PME, this is only a small portion of the potential savings. There are currently about 5000 materials listed, representing roughly 11 million tons annually. EPA estimates that industry alone generates 7.6 billion tons of solid waste alone each year.

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